



**SPECIAL MEETING OF THE COMMON COUNCIL
MIDDLETOWN, CONNECTICUT
December 6, 2010**

Special Meeting	A workshop for questions to directors of the Common Council of the City of Middletown was held in the Council Chamber of the Municipal Building, on Monday December 6, 2010 at 6 p.m.
Present	Deputy Mayor Joseph E. Bibisi, Council Members, Vincent J. Loffredo, Ronald P. Klattenberg, Philip J. Pessina, Gerald E. Daley, Robert P. Santangelo, Hope P. Kasper, James B. Streeto, Deborah A. Kleckowski, David Bauer, Acting Chief of Police Patrick McMahon, and Council Clerk Marie O. Norwood.
Absent	Mayor Sebastian N. Giuliano, Council Members Thomas J. Serra and Grady L. Faulkner, Jr., and Corporation Counsel William Howard
Also Present	Finance Director Carl Erlacher, Personnel Director Debra Milardo, Public Works Director William Russo, William Warner, Planning, Conservation, and Development Director; Thomas Hartley, Parking Department Director; Acting City Attorney Timothy Lynch; Fire Chief Gary Ouellette, Guy Russo, Water and Sewer Director; Philip Cacciola, Consumer Protection, Stephan Allison, Arts Coordinator; Ray Santostefano Park and Recreation Director; and eleven members of the public.
Meeting Called to Order	Deputy Mayor Bibisi called the meeting to order at 6:00 p.m. and leads the Council in the Pledge of Allegiance.
Call of Meeting Read	The Call of Meeting was read and accepted. Deputy Mayor Bibisi declares the Call a Legal Call and the Meeting a Legal Meeting.
Workshop Opens	The Acting Chair opens Questions to directors at 6:02 p.m.

Councilman Bauer states we had a workshop on St. Sebastian school and since that time you have new information and can you give me a summary since the workshop and are there outstanding issues that would affect the vote. Mr. Warner responds on Friday, he sent an e-mail with attachments with a summary of the outstanding issues and the other is the feasibility study of the senior center at Vets Park. He also put the appraisal in the Council office and it is for over \$1 million. The e-mail said the roof was good but the gutters were shot and they proposed a built in copper gutter. They have exposed aluminum gutters and that is cheaper. Mr. Rusek stated the built in gutters would be better. The operating costs, what he did was get the ball park figures from a management organization and he used electric and heating and HVAC and it was \$3.25 per sq ft. He took City Hall figures and it came out to \$3.25 per sq ft. To have heating and air for this building it is \$3.25 per sq foot. He took that figure times the sq. feet of St. Sebastianis and it is about \$40,000. He came up with all the other maintenance costs in this building and it is a \$10,000 line item for incidentals. The maintenance includes water and sewer and it came out to \$1.17 per sq. ft. and it is an additional \$14,000 of operating costs. This building has two large oil burning boilers and in the other building, if you replace the boiler, he would advise to go to gas and it would be a brand new elevator. He hopes that gives you a good idea. He discusses demographics. There is a concentration of seniors in that area and there are more in the South Farms area. The EPA clarification for Phase I study and there was one outstanding issue of compliance and they received an e-mail from EPA and it said they don't have any for Middletown St. Sebastian School or there is no hazardous waste material for a St. Sebastian School in Middletown that is in the data base, but there is one for Milwaukee. The appraisal is up to \$1 million; it went from \$980,000 to \$1 million. Regarding insurance, the Risk Manager described how it would work and it would be \$840 for the premium for the insurance for the premises. Councilwoman Kasper asked about it and Steve Kroll stated 100 sq ft for business per person. For multi purpose rooms 7 per sq ft for chairs. If it is table and chairs, the room would accommodate 100 people; if it is just chairs, it would be 214 people. Hazardous building materials, there is some asbestos in the piping and the tiles and he gave those figures \$7,000 for the piping which should be done and the tiles are in good shape and if you want to remove them all it will cost roughly \$12,000. Councilman Bauer states you said at the workshop it would cost \$1.2 million and Mr. Arcari said \$1.7 million; has anything material changed on those projections. Mr. Warner states my projection took \$150,000 out of the HVAC and roof and we have heard it doesn't need a new roof. I continue to say that \$280,000 for an elevator shaft is extravagant. There is savings in the roof line item. He said at Melilli there was a 10% savings and Mr. Arcari said a 15% is not out of line. So we can save that. Councilman Bauer states the more expensive version of the elevator would open up the storage space on the third floor and what is the value. Mr. Warner responds if you look at the plans, he puts in a stair case to walk up and that is more than efficient for storage and the other end he has the elevator there and he states that is extravagant. There is 2,000 sq ft of storage and mechanical space. Recreation has a lot of need for storage, not heavy duty stuff. The elevator is almost its own building. We talked about a lift and that is \$30,000 to \$50,000. There is ability to save there.

Acting Chair Bibisi recognizes Councilman Klattenberg who states no questions for this director and I will yield the floor to questions to this director.

Councilwoman Kasper states she has for this Director and asks if there are projections for utility costs, did you include anything for the annex. Mr. Warner states he did not; that is on gas and it is 2,000 sq ft. Councilwoman Kasper asks about the insurance coverage; it is cash value or replacement costs. Mr. Warner responds he asked for the value of the building of \$1.5 million. Councilwoman Kasper states when you write an insurance contract, it is replacement costs and it is usually more than cash value. Mr. Warner responds it is for \$1.5 million. Councilwoman Kasper asks if he prepared any costs for material for replacement of the lot. Mr. Warner responds he thought a lot of the material could be reused on site. Councilwoman Kasper states we don't have any asphalt around. Mr. Warner responds that is a future cost.

Councilman Loffredo asks Mr. Warner as a follow up; what is the arrangement of the portable buildings; do we know the age. Mr. Warner states it went in, in 1999. Councilman Loffredo asks the life expectancy. Mr. Warner states he discussed the roof, but not the life expectancy. Councilman Loffredo asks what arrangement the City would have with the Veterans group; what responsibility would the City have. Mr. Warner states it has yet to be determined. There is an opportunity to put one or two city offices there in 2,000 sq ft. They (Military Museum) envision computer kiosks and to display material and 2,000 feet is quite a bit. Councilman Loffredo asks if he knows if they sought out any expert advice on this. Mr. Warner states they have been working on it since 2003 and they got a Planning and Zoning approval to build one at Veterans Park and they were working on a business plan and they have good thoughts to work on this. Acting Chair Bibisi states he has artifacts from WWII and they came and cataloged all that and they have a filing system. They are organized.

Noted for the Record

Councilwoman Kleckowski takes her seat at 6:22 p.m.

Councilman Loffredo asks about personnel Mr. Warner responds they have one full time custodian and a full time aide. Councilman Loffredo asks about the hours. Mr. Warner responds full time. Councilman Loffredo states the building, what do you anticipate costs for day and evening programs. Mr. Warner states the supplies are in the costs I gave you; it would be your decision. Bill Russo thought if it is open at night, they would need another person. Someone will have to open the door. Councilman Loffredo states what if it is used on the weekends; Mr. Warner states as it grows, you will want to offer weekends. There are only so many hours you may get from one employee. Councilman Loffredo states based on what you said, there would be at least the need of another person. Mr. Warner responds half-time or one more full time. Councilman Loffredo asks if he knows the cost of the custodian. Mr. Russo, Director of Public Works, responds \$41,000 without benefits at max.

Councilman Klattenberg states he wanted to acknowledge that Chris Duby is here from Secure Energy for agenda item 10-4 and he wanted to call them up to explain this. Mr. Duby states in the handout, there are two analyses that we put together to show where the City has been and where it is going regarding costs. The first analysis discussed CL & P costs from 2007, 2008, 2009 and 2010 and the supplier rates we have provided the City has saved an estimated \$820,000 under our management. In the future, we have two things to talk about. We are proposing to put the City on a one bill system. Because it was billed separately, there has been strain on the department. We are moving toward a one bill system through CL&P which will include four charges, the pass through charges. Where you are today, paying them on your own, we will be able to decrease those costs by a small amount. By including them, you will save \$2,400 per month or \$29,000. This is only through 2011. We are proposing to buy now while the market is low. This is a natural gas chart and it is important because 60% of the electricity is made by natural gas and because it has gone down, we can buy at a much lower rate and can reduce for the next three years by 15% or close to \$18,000 per month for an additional savings for those three years. We are proposing those two areas. Councilman Klattenberg states you reminded me before the meeting that economic indicators show recovery and the market will go up. Mr. Duby states that is true; he was reading recently and the highest level since November, 2007 for wages so the economy is picking up and then production will increase and the demand for energy will go up. He believes we are seeing some of the lowest prices we will see for a while. We hit a seven year low in October and we are hovering in a low area and his biggest concern is there is a lot of room to go up and not much to go down and he urges the Council to lock it in now. Councilman Klattenberg appreciates all the expertise you have given to the City to realize these savings.

Councilman Loffredo asks what the rate is they will lock into. Mr. Duby states the budget lock under the third column is .996 and that will be for the rest of 2011 and then it will go down to .855. Councilman Loffredo asks the rate for prior years. Mr. Duby states in 2007 through 2009 you paid an estimated 1.081. That rate included the ancillary charges. Councilman Klattenberg states the fraction of the penny saved can go to pay for electricity.

Councilman Pessina asks to address questions to Tom Hartley, Parking Director. He

asks if the public will have the continued free parking period when they come in or is it gone. Mr. Hartley states the proposal is one hour for both lots and reducing the lot price to 75 cents. Councilman Pessina states the holiday time, we are not enforcing parking during the holiday. Mr. Hartley states they are matching what was done in the past. Obviously, the technology they will have in place next year will enhance the shopping experience. Councilman Pessina states we want the patrons to keep coming.

Councilman Streeto asks to address questions to Bill Russo, Director of Public Works. Councilman Streeto asks about the appropriation. Mr. Russo responds that is a four vehicle purchase for Sanitation. It went through all the proper commissions. Councilman Streeto states this is for used equipment. Mr. Russo states yes; they have not purchased equipment for the last five years. Four or five months ago one of the trucks was grounded. We put the word out that we were in the market for equipment and the four pieces you are buying and the reason we went in this direction is to get our hands on this because they could use the equipment and it is in satisfactory condition. We only have one automated truck and if we rent one, it is for \$125 per hour. This purchase gets us away from renting. We rent to the tune of \$25,000 per year. It is definitely a step in the right direction. We have \$240,000 in the Sanitation Depreciation Fund and it will get us two rear loaders and another recycling truck and another automated truck. It is a positive for the Department. Councilman Streeto states you know how to use this equipment and it puts you in better shape. Mr. Russo responds yes; the Fleet Manager is very knowledgeable and he figures he can get 7 ó 10 years with this equipment .

Acting Chair Bibisi asks how much they will save with this used equipment. Mr. Russo responds \$225,000 each if we buy new; we are taking out of service a truck from 1991. Acting Chair Bibisi states you are saving money for the City. Mr. Russo replies yes, quite a bit. Acting Chair Bibisi thanks him. Mr. Russo states it is due to good staff.

Councilwoman Kasper states there will be a decision regarding St. Sebastian School; do you have funds in your operating budget now that can be used for utility costs. Mr. Russo, Director of Public Works, states presently no; anything we take on will be added to the budget. Councilwoman Kasper states you would have to come back for an appropriation request. Mr. Russo responds he doesn't anticipate it will be ready before June; we would look at putting it in the budget in July. Councilwoman Kasper states if we take ownership, we have to heat it. Mr. Russo states he anticipates they will go out to bid what the architect came up with. Councilwoman Kasper asks if you have the money in your budget to heat the school if we take ownership. Mr. Russo replies we would need additional funds to keep the heat on.

Meeting Adjourned

Acting Chair Bibisi asks if there are any other questions to directors; hearing none, he asks for a motion to adjourn. Councilman Loffredo moves to adjourn and is seconded by Councilman Bauer. The vote is called and it is unanimous to adjourn. The Acting Chair declares the meeting adjourned at 6:41 p.m.

ATTEST:

MARIE O. NORWOOD
Common Council Clerk